

ST. JOHN THE BAPTIST PARISH LIBRARY

Annual Financial Report

As of and for the Year Ended

December 31, 2011

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **AUG 29 2012**

KEITH J. ROVIRA
Certified Public Accountant

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana

**Basic Financial Statements
and Independent Auditor's Report
As of and for the Year Ended
December 31, 2011**

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INDEPENDENT AUDITOR'S REPORT

St. John the Baptist Parish Library
A Component Unit of the
St. John the Baptist Parish Council
LaPlace, Louisiana

I have audited the accompanying financial statements of the governmental activities of the St. John the Baptist Parish Library, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 2011, which collectively comprise the library's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the St. John the Baptist Parish Library. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described in paragraph A.12 of the Notes to the Financial Statements of this audit report, the library adopted the provisions of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions in 2011.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the St. John the Baptist Parish Library as of December 31, 2011, and the results of operations for the year then ended in conformity

with accounting principles generally accepted in the United States of America

In accordance with Government Auditing Standards, I have also issued a report dated May 1, 2012, on my consideration of the St. John the Baptist Parish Library's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the library's basic financial statements. The supplementary information schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the St. John the Baptist Parish Library. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in my opinion is fairly stated in all material respects in relation to the basic financial statements taken as whole.



Keith J. Rovira
Certified Public Accountant

May 1, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Management's Discussion and Analysis
As of and for the year ended December 31, 2011

The Management's Discussion and Analysis (MD&A) of the St. John the Baptist Parish Library's financial performance presents a narrative overview and analysis of the library's financial activities for the year ended December 31, 2011. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the basic financial statements. The MD&A is an element of the new reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" issued June, 1999. Certain comparative information between the current year and prior year has been presented in the MD&A.

FINANCIAL HIGHLIGHTS

The minimum requirements for financial reporting on the St. John the Baptist Parish Library's office that was established by GASB No. 34 are divided into the following sections:

- (a) Management's Discussion and Analysis
- (b) Basic Financial Statements
- (c) Required Supplementary Information (other than MD&A)

Basic Financial Statements:

The basic financial statements present information for the library as a whole, in a format designed to make the statements easier for the reader to understand. The financial statements in this section are divided into the two following types:

- (1) Government-Wide Financial Statements, which include a Statement of Net Assets and a Statement of Activities. These statements present financial information for all activities of the library from an economic resources measurement focus using the accrual basis of accounting and providing both short-term and long-term information about the library's overall financial status.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Management's Discussion and Analysis
As of and for the year ended December 31, 2011

(2) Fund Financial Statements, which include a Balance Sheet and a Statement of Revenues, Expenses, and Changes in Fund Balance for the General Fund (a governmental fund). These financial statements present information on the individual fund of the library allowing for more detail. The current financial resources measurement focus and the accrual basis of accounting used to prepare these statements is dependent on the fund type. The library's main governmental fund is the General Fund. The statements in this section represent the short-term financing of general government.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Current and other assets	\$6,901,121	\$6,742,146
Capital assets	<u>3,448,902</u>	<u>3,222,466</u>
Total Assets	<u>10,350,023</u>	<u>9,964,612</u>
Current liabilities	318,106	211,408
Long-term liabilities	<u>701,807</u>	<u>490,165</u>
Total Liabilities	<u>1,019,913</u>	<u>701,573</u>
Net Assets:		
Invested in capital assets, net of debt	3,448,902	3,222,466
Restricted for endowment	5,000	5,000
Unrestricted	<u>5,876,208</u>	<u>6,035,573</u>
Total Net Assets	<u>\$9,330,110</u>	<u>\$9,263,039</u>

The library has net assets "restricted" for an endowment totaling \$5,000. Restricted net assets represent those portions of net assets legally segregated for a specific future use.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Management's Discussion and Analysis
 As of and for the year ended December 31, 2011

The library also has "unrestricted" net assets, and those are net assets that do not have any limitations on what the amounts may be used for.

Statement of Activities
 For the years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenues	\$3,818,778	\$3,636,174
Expenditures	<u>(3,751,707)</u>	<u>(2,733,403)</u>
Net Change in Fund Balance	<u>\$67,071</u>	<u>\$902,771</u>

The library's total expenditures increased by \$1,018,304, or 37%, which was primarily due to a significant increase construction costs and office furnishings and equipment from the prior year. Total revenues increased by \$182,604, or 5%, which was due to a slight decrease in ad valorem taxes received for the year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets:

The library had a net book value of \$3,448,902 invested in a broad range of capital assets, including the library collection, furniture and equipment, buildings and land as of December 31, 2011. This amount represents the original cost of all capital assets less their total accumulated depreciation, and reflects a net increase of \$226,436 from the prior year.

Even though the library is restricted by state statute from owning buildings and land (real property), GASB Statement No. 34 requires that buildings be reported as capital assets on the library's Statement of Net Assets and depreciated annually, as applicable, because the library has primary responsibility for managing and maintaining the building.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Management's Discussion and Analysis
 As of and for the year ended December 31, 2011

The table below lists capital assets by type, and the accumulated depreciation as of year-end:

	<u>2011</u>	<u>2010</u>
<u>Capital Assets</u>		
Library collection	\$3,559,331	\$3,435,622
Furniture and equipment	1,503,741	1,404,738
Buildings	2,858,875	2,708,952
Land	<u>40,000</u>	<u>40,000</u>
	7,961,947	7,589,312
Less: Accumulated depreciation	<u>(4,513,045)</u>	<u>(4,366,846)</u>
Net Capital Assets	<u>\$3,448,902</u>	<u>\$3,222,466</u>

Debt (Long-term Liabilities):

The Library's long-term debt outstanding at year end totaled \$701,807, and was comprised of other postemployment benefit obligations (OPEB) of \$627,037 and accrued annual leave of \$74,770. Total long-term debt increased by \$211,642 from the prior year primarily due to the current annual cost for the net OPEB obligation. Even though the Library Board does not have any future plans to fund its unfunded actuarial accrued liability (UAAL) at this time, Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions requires this disclosure.

ECONOMIC FACTORS AND THE 2012 BUDGET

The library considered the following factors and indicators when preparing its budget for the fiscal year to end on December 31, 2012: (1) ad valorem revenue will remain at the same level as last year or a little higher; (2) significant disbursements will be made for the construction and/or renovation of the Central Library Building as the projects are completed and ready for operations in 2012; (3) the library anticipates that there will be increases in personnel and related benefit costs; and (4) increases are expected in the cost of the library's contents, including its library collection, furniture and fixtures, office equipment, etc.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Management's Discussion and Analysis
As of and for the year ended December 31, 2011

Baring any unforeseen events, the library expects that anticipated revenues and existing available funds for the year will be sufficient to meet its anticipated operating expenses.

CONTACTING THE LIBRARY'S MANAGEMENT

This financial report is designed to provide the citizens, taxpayers, investors and creditors with a general overview of the library's finances, and to show the library's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Mr. Randy A. De Soto, Administrative Librarian of the St. John the Baptist Parish Library, 2920 Highway 51, LaPlace, Louisiana 70068, or telephone, 985-652-6857.

BASIC FINANCIAL STATEMENTS
(GOVERNMENT-WIDE FINANCIAL STATEMENTS)

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Statement of Net Assets
 December 31, 2011

ASSETSCurrent Assets:

Cash (Note C)	\$3,240,242
Receivables:	
Ad valorem tax	3,596,346
State revenue sharing	<u>64,533</u>
Total Current Assets	<u>6,901,121</u>

Noncurrent Assets:

Capital assets (net of depreciation) (Note D)	<u>3,448,902</u>
Total Noncurrent Assets	<u>3,448,902</u>

TOTAL ASSETS	<u>10,350,023</u>
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LIABILITIESCurrent Liabilities:

Accounts payable	168,849
Sheriff's pension contribution payable	<u>149,257</u>
Total Current Liabilities	<u>318,106</u>

Long-term Liabilities (Note F):

Net other postemployment benefit obligations (OPEB)	627,037
Accrued annual leave	<u>74,770</u>
Total Long-term Liabilities	<u>701,807</u>

TOTAL LIABILITIES	<u>1,019,913</u>
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NET ASSETS

Invested in capital assets, net of related debt	3,448,902
Restricted for endowment	5,000
Unrestricted	<u>5,876,208</u>
TOTAL NET ASSETS	<u>\$9,330,110</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Statement of Activities
For the Year Ended December 31, 2011

EXPENSES**Library Services:**

Personnel services	\$1,673,921
Other postemployment benefit obligation (OPEB) Note F	200,743
Operating services	456,774
Material and supplies	53,529
Travel and other charges	6,239
Capital outlay	834,483
Depreciation	376,761
Deductions from ad valorem taxes for the Sheriff's retirement system	<u>149,257</u>

Total Expenses **3,751,707**

GENERAL REVENUES

Ad valorem taxes (net)	3,649,778
State revenue sharing	98,832
Fees, fines and charges for library services	58,359
Interest earnings	2,442
Outside grants, state aid and donations	3,220
Other revenue	<u>6,147</u>

Total General Revenues **3,818,778**

Change in Net Assets 67,071

Net Assets at Beginning of Year **9,263,039**

Net Assets at End of Year **\$9,330,110**

The accompanying notes are an integral part of this statement.

BASIC FINANCIAL STATEMENTS
(FUND FINANCIAL STATEMENTS)

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Balance Sheet
Governmental Funds
December 31, 2011

	<u>Capital Project Funds</u>				
	<u>General Fund</u>	<u>Central Library Constr.</u>	<u>Central Library Renovat.</u>	<u>Reserve Library Renovat.</u>	<u>Total Govermt. Funds</u>
ASSETS					
Cash	\$1,987,010	\$1,173,407	\$79,825	-	\$3,240,242
Receivables:					
Ad valorem taxes	3,596,346	-	-	-	3,596,346
State rev. sharing	<u>64,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,533</u>
Total Assets	<u>\$5,647,889</u>	<u>\$1,173,407</u>	<u>\$79,825</u>	<u>-</u>	<u>\$6,901,121</u>
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$8,424	\$160,425	-	-	\$168,849
Sheriff's pension contrib. payable	<u>149,257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,257</u>
Total Liabils.	<u>157,681</u>	<u>160,425</u>	<u>-</u>	<u>-</u>	<u>318,106</u>
Fund Balance:					
Nonspendable	-	-	-	-	-
Restricted-endowment	5,000	-	-	-	5,000
Committed	-	-	-	-	-
Assigned	-	1,012,982	\$79,825	-	1,092,807
Unassigned	<u>5,485,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,485,208</u>
Total Fund Balance	<u>5,490,208</u>	<u>1,012,982</u>	<u>79,825</u>	<u>-</u>	<u>6,583,015</u>
Total Liabilities and Fund Balance	<u>\$5,647,889</u>	<u>\$1,173,407</u>	<u>\$79,825</u>	<u>-</u>	<u>\$6,901,121</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2011

Total Fund Balance - Governmental Funds	\$6,583,015
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Amounts reported for governmental activities
in the Statement of Net Assets are different
because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet, net of accumulated depreciation	3,448,902
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Some liabilities are not due and payable
in the current period and therefore are
not reported in the funds. Those liabilities
consist of:

Net other postemployment benefit obligations (OPEB)	(627,037)
Accrued annual leave payable	<u>(74,770)</u>

Total Net Assets of Governmental Activities	<u>\$9,330,110</u>
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The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2011

		<u>Capital Project Funds</u>		
	<u>General</u>	<u>Central</u>	<u>Central</u>	<u>Reserve</u>
	<u>Fund</u>	<u>Library</u>	<u>Library</u>	<u>Library</u>
		<u>Constr.</u>	<u>Renovat.</u>	<u>Renovat.</u>
<u>REVENUES</u>				
Ad valorem taxes (net)	\$3,649,778	-	-	-
State revenue sharing	98,832	-	-	-
Fees, fines & charges for library services	58,359	-	-	-
Interest earnings	1,910	\$455	\$40	\$37
Outside grants, state aid and donations	3,220	-	-	-
Other revenue	<u>6,147</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>3,818,246</u>	<u>455</u>	<u>40</u>	<u>37</u>
<u>EXPENDITURES</u>				
Library Services:				
Personnel services	1,673,921	-	-	-
Operating services	391,699	45,350	475	19,250
Material & supplies	53,493	36	-	-
Travel and other charges	6,239	-	-	-
Capital outlay	574,309	815,945	-	36,257
Deductions from ad valorem taxes for Sheriff's retirement system	<u>149,257</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>2,848,918</u>	<u>861,331</u>	<u>475</u>	<u>55,777</u>
Excess (Deficiency) of Revenues over Expenditures	<u>969,328</u>	<u>(860,876)</u>	<u>(435)</u>	<u>(55,740)</u>

(Continued)

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2011

(CONTINUED)

**Total
Governmental
Funds**

\$3,649,778
98,832

58,359
2,442

3,220
6,147

3,818,778

1,673,921
456,774
53,529
6,239
1,426,511

149,257

3,766,501

52,277

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2011

(CONTINUED)

		<u>Capital Project Funds</u>		
	<u>General</u>	<u>Central</u>	<u>Central</u>	<u>Reserve</u>
	<u>Fund</u>	<u>Library</u>	<u>Library</u>	<u>Library</u>
		<u>Constr.</u>	<u>Renovat.</u>	<u>Renovat.</u>
OTHER FINANCING				
<u>SOURCES (USES)</u>				
Transfer in from:				
General Fund	-	\$1,766,000	-	-
Reserve Lib. Renovation	\$35,648	-	-	-
Transfer (out) to:				
Centr. Libr. Constr.	(1,766,000)	-	-	-
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$(35,648)</u>
Total Other Financing				
Sources (Uses)	<u>(1,730,352)</u>	<u>1,766,000</u>	<u>-</u>	<u>(35,648)</u>
Excess of Revenues and				
Other Sources over				
Expenditures and				
Other Uses	(761,024)	905,124	\$(435)	(91,388)
Fund Balance at				
Beginning of Year	<u>6,251,232</u>	<u>107,858</u>	<u>80,260</u>	<u>\$91,388</u>
Fund Balance at				
End of Year	<u>\$5,490,208</u>	<u>\$1,012,982</u>	<u>\$79,825</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2011

(CONTINUED)

**Total
Governmental
Funds**

\$1,766,000
35,648

(1,766,000)
(35,648)

-

52,277

6,530,738

\$6,583,015

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
**Reconciliation of the Statement of Revenues,
 Expenditures and Changes in Fund Balance
 to the Statement of Activities
 For the Year Ended December 31, 2011**

Net Change in Fund Balance - Governmental Funds	\$52,277
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current year:

Expenditures for capital assets	592,298	
Less: current depreciation expense	<u>(376,761)</u>	215,537

Some items reported in the Statement of Net Assets do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Other postemployment benefit obligation (OPEB)		<u>(200,743)</u>
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Change in Net Assets of Governmental Activities	<u>\$67,071</u>
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The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

INTRODUCTION

The St. John the Baptist Parish Library was established by the parish governing authority under provisions of Louisiana Revised Statute (LSA-R.S.) 25:211 and is governed by a Board of Control that is appointed by the Parish Council in accordance with provisions of LSA-R.S. 25:214. The library provides citizens of the parish access to library materials in print resources, such as books and magazines, a wide variety of non-print resources, such as DVD's, audio-books, online research databases, electronic reference resources, e-audio and e-books, internet access and a small selection of music on CD. In addition to print and non-print resources, the library provides public access to computer workstations in all branches, conducts programs for children and adults, and provides access to meeting rooms when these spaces are not being used for library programs. The assets of the library are made available to nonresidents through a small fee for a nonresident card and through an inter-library loan agreement with the Louisiana State Library.

The library served the community with a population of approximately 46,000 people in the current year. One main library and three branch libraries served approximately 180,000 users during the year, which was approximately 26,000 more than the prior year. This increase reflects a return to the system of the Reserve Branch in addition to increased computer use by the public. The library has continued to expand its electronic access services being offered by adding additional electronic resources in addition to the Louisiana Library Connection database resources provided by the State Library of Louisiana. Marketing for library resources and programs have increased to inform the public on the variety of resources that are available from the parish library.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying basic financial statements of the St. John the Baptist Parish Library have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The St. John the Baptist Parish Library has adopted the provisions of Governmental Accounting Standards Board

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments. In this regard, the library will be treated as a governmental-type activity for financial reporting purposes in this audit. The minimum requirements for the library established by GASB Statement No. 34 are divided into the following sections: (a) Management's Discussion and Analysis, (b) Basic Financial Statements, and (c) Required Supplementary Information (other than MD&A). The accompanying financial statements of the St. John the Baptist Parish Library present information only as to the transactions of the programs of the library as authorized by Louisiana statutes and administrative regulations. Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues, including ad valorem taxes, state revenue sharing, intergovernmental revenue, interest and other revenues of the library, are recognized in the accounting period in which they are earned and become measurable.

Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. They are recognized as revenue in the year the taxes are assessed.

Expense Recognition

Expenses are also recognized on the accrual basis; therefore, expenses, including salaries, operating services and expenses, materials and supplies, travel, capital outlay, intergovernmental expenses, etc. are recognized in the period incurred, if measurable.

2. Reporting Entity

As the governing authority of the parish, for reporting purposes, the St. John the Baptist Parish Council is the financial reporting entity for St. John the Baptist Parish. The financial reporting entity consists of (a) the primary government (St. John the Baptist Parish Council), (b) organizations for which the primary

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the St. John the Baptist Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability.

The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. the ability of the parish council to impose its will on that organization, and/or
 - b. the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the parish council.
2. Organizations for which the parish council does not appoint a voting majority, but are fiscally dependent on the parish council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the parish council appoints the governing board and because of the scope of public service, the library was determined to be a component unit of St. John the Baptist Parish Council, the governing body of the parish and the governmental body with oversight responsibility.

The accompanying financial statements present information only on those funds maintained by the

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

library and do not present information on the council, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

3. Fund Accounting

The library uses governmental fund types to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions and activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The library's governmental fund types are described as follows:

a. General Fund

The General Fund is the principal fund of the library and accounts for general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition of general fixed assets. The various taxes, fees and charges due to the library are accounted for in this fund, as well as, general operating expenditures.

4. Budgets

All proposed budgets for the library were prepared on the cash basis of accounting. The original budgets were completed and made available for public inspection at the library on November 13, 2010. A public hearing was held on November 29, 2010, for suggestions and comments from the public, and the proposed budgets were formally adopted on that date. The budgets, which included proposed cash expenditures and the means of financing them, were published in the official journal prior to the public hearing. All appropriations lapse at year end, and any accounts payable outstanding at year end are included in the next year's budget with funds appropriated in that year to finance them. Formal budget integration is not employed as a management control device during the year; however, the administrative librarian monitors the budget during the year.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The administrative librarian is authorized to transfer amounts between line items within any fund. When actual cash revenues fail to meet budgeted cash revenues by five percent or more and/or actual cash expenditures exceed budgeted expenditures by five percent or more, a budget amendment to reflect such change is adopted by the library board in an open meeting. Budget amounts included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The original budgets were amended and made available for public inspection at the library on November 19, 2011. A public hearing was held on December 5, 2011, for suggestions and comments from the public, and the proposed amendments were formally adopted on that date.

5. Cash Deposits

Cash deposits include amounts in interest bearing demand deposits and a savings account. Under state law, the library may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, U.S. Treasury Bills or certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

6. Receivables

There was a 2% allowance for doubtful accounts set up based on past experience of the differences between the amount of ad valorem taxes received and accrued as recorded on the financial statements.

7. Capital Assets

Capital assets are recorded at either historical cost or estimated historical cost and are depreciated over their estimated useful lives (excluding salvage value). Additions to the library collection are currently being recorded at the actual purchase price of the item. Any donated capital assets are recorded at their estimated fair value at the date of donation. The estimated useful life of an asset is management's estimate of how long the asset is expected to meet its service demands. Straight-line depreciation is used based on the following estimated useful lives: furniture and equipment - 5 years; vehicles - 5 years; outdoor metal furniture - 20 years; library collection - 7 years; buildings - 40 years.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The library board has a policy to record and depreciate furniture and equipment items that have a purchase price of \$350 or more.

Also, GASB Statement No. 34 requires that buildings be reported as capital assets on the library's Statement of Net Assets and depreciated annually over 40 years, as applicable, because the library has primary responsibility for managing and maintaining its buildings.

8. Annual and Sick Leave

Vacation (annual) leave is accumulated by employees at a variable rate, which is predetermined by the library board and depends on the employee's years of service. The leave is accumulated on a per month basis and is credited at the end of each month. Upon separation from employment, the employee is paid for all vacation leave that is accumulated and credited to the employee. Employees may accumulate a maximum of two and one half times their rate of annual leave. A long-term liability is set up on the financial statements to account for the amount due to employees who have accumulated annual leave as of the end of the year.

Sick leave is granted to full-time, permanent employees at the rate of 12 working days (96 hours) per calendar year. Any unused amount of sick leave can be accumulated without limit and carried forward from one year to the next indefinitely. No compensation for unused sick leave is paid to employees upon retirement or termination. Unused sick leave is recorded and maintained for each employee and retiree in accordance with the rules of the Parochial Employees' Retirement System so that upon retirement the unused amount can be converted to additional retirement credit.

9. Restricted Net Assets

Restricted net assets represent those portions of net assets legally segregated for a specific future use. The library restricts net assets on the Statement of Net Assets for an endowment received in 1976.

10. Encumbrances

Encumbrance accounting is not utilized by the library due to the nature of operations and the ability of management to monitor budgeted expenses on a timely basis.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

12. Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt: consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets: consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets: all other assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted net assets."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

The library adopted GASB Statement No. 54 for the year ended December 31, 2011. As such, fund balances of the governmental funds are classified as follows:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted: amounts that can be spent for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed: amounts that can be used only for specific purposes determined by a formal action of the library board. The board is the highest level of decision making authority for the library. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the board.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under the library's adopted policy, only the board may assign amounts for specific purposes.

Unassigned: all other spendable amounts.

	<u>All Funds</u>
Nonspendable:	-
Restricted - endowment:	\$ 5,000
Committed:	-
Assigned:	1,092,807
Unassigned:	<u>5,485,208</u>
Total	<u>\$6,583,015</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the library considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the library considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the board has provided otherwise in its commitment or assignment actions.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 2011

NOTE B - LEVIED TAXES

Through the parish council, the library is authorized to levy a 10-mill ad valorem tax for library operations, maintenance and construction. The library levied and received 9.94 mills for the year ended December 31, 2011.

NOTE C - CASH

At December 31, 2011, the carrying amounts (book balances) of all cash of the library was as follows:

<u>General Fund</u>			
Cash on hand	\$	550	
Interest bearing checking		1,978,689	
Savings accounts (Endowment)		<u>7,771</u>	1,987,010
<u>Capital Project Funds</u>			
Interest bearing checking:			
Central library construction		1,173,407	
Central library renovation		<u>79,825</u>	<u>1,253,232</u>
Total			<u>\$3,240,242</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2011, the library had \$3,326,568 in deposits (collected bank balances). These deposits were secured from risk by \$250,000 of federal deposit insurance and \$5,108,101 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the library that the fiscal agent has failed to pay deposited funds upon demand.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 2011

NOTE D - CAPITAL ASSETS

The capital assets used in the governmental-type activities are included on the Statement of Net Assets of the library and are capitalized at historical cost. Depreciation of all exhaustible capital assets used by the library is charged as an expense against operations. Capital assets are reported net of accumulated depreciation on the Statement of Net Assets. Depreciation expense for financial reporting purposes is computed using the straight-line method over the useful lives of the capital assets and is reported in the Statement of Activities.

A summary of changes in capital assets and accumulated depreciation during the year is listed as follows:

	<u>Balance</u> <u>12/31/10</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>12/31/11</u>
<u>Capital Assets</u>				
Library collection	\$3,435,622	\$321,296	\$197,587	\$3,559,331
Furniture and equipment	1,404,738	129,844	30,841	1,503,741
Buildings	2,708,952	149,923	-	2,858,875
Land	<u>40,000</u>	<u>-</u>	<u>-</u>	<u>40,000</u>
Total	<u>\$7,589,312</u>	<u>\$601,063</u>	<u>\$228,428</u>	<u>\$7,961,947</u>
<u>Less Accumulated Depreciation</u>				
Library collection	\$2,586,606	\$234,878	\$197,587	\$2,623,897
Furniture and equipment	1,219,825	71,242	32,975	1,258,092
Buildings	560,415	70,641	-	631,056
Land	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$4,366,846</u>	<u>\$376,761</u>	<u>\$230,562</u>	<u>\$4,513,045</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE E - PENSION PLAN

Plan Description

Substantially all employees of St. John the Baptist Parish Library are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined pension benefit plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the library are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of the member's final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only, prior to January 1, 1980, the benefit is equal to one percent of the final-average salary plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504)928-1361.

Funding Policy

Under Plan A, members of the System are required to contribute 9.5% of their annual covered salary and the library is required to make employer contributions at an actuarially

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE E - PENSION PLAN (CONTINUED)

determined rate. The employer's contribution rate for the year ended December 31, 2011 was 15.75% of annual covered payroll. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the library are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year.

The library's (employer) contributions to the System under Plan A for the years ended December 31, 2011, 2009 and 2008, were \$147,799, \$122,820, and \$97,607, respectively, and these amounts equaled the required contributions for each year.

NOTE F - LONG-TERM LIABILITIES

Accrued Annual Leave

At December 31, 2011, employees of the library have accumulated and vested amounts of employee annual leave benefits, which are computed in accordance with GASB Codification Section C60. This amount is recorded in the Statement of Net Assets as a long-term liability, and the calculation is based on the number of hours each employee has earned and credited to their benefit times their individual hourly rate at the end of the year.

The following is a summary of the changes in accrued annual leave during the year:

Accrued annual leave payable at December 31, 2010	\$63,871
Additions	65,254
Deductions	<u>(54,355)</u>
Accrued annual leave payable at December 31, 2011	<u>\$74,770</u>

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE F - LONG-TERM LIABILITIES (CONTINUED)

Other Postemployment Benefit Obligations (OPEB)

Plan Description: The library administers and contributes to a single-employer defined benefit health, dental and life insurance plan for retirees and active employees, as authorized by the library Board. The plan provides lifetime health and dental insurance for retirees, their spouses and dependents, and life insurance benefits for employees that retire at age 55 or older or have 30 years of service at any age. The library uses the same private insurance provider/carrier as the parish. No financial statements are available for the library's plan.

The library implements Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. By adopting the requirements of GASB Statement No. 45, the library recognizes the cost of postemployment benefits in the year when employee services are rendered, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the library's future cash flows. Because the library has adopted the requirements of GASB Statement No. 45 prospectively, recognition of the liability accumulated from prior years will be phased in over 30 years, commencing with the 2009 liability.

Funding Policy: The library contributes 100% of the costs of the current year's health, dental and life insurance premiums for eligible retired employees. The library finances its plan on a pay-as-you-go basis, therefore no funds are reserved for payment of future health insurance premiums. For the year ended December 31, 2011, the library contributed \$61,021 to the plan on behalf of the retirees.

Annual OPEB Cost and Net OPEB Obligation: The library's annual other postemployment benefit (OPEB) is calculated based on the annual required contribution (ARC). The library has elected to calculate the ARC and related information using the "alternative measurement method" permitted by GASB Statement No. 45 for employers with plans that have fewer than 100 total members. The ARC represents a level of funding that, if paid

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Notes to the Financial Statements
 December 31, 2011

NOTE F - LONG-TERM LIABILITIES (CONTINUED)

on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the library's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the library's net OPEB obligation to the plan:

Annual required contribution (ARC)	\$254,140
Interest on net OPEB obligation	7,624
Adjustments to Annual Required Contribution	<u>0</u>
Annual OPEB cost	261,764
Contributions made	<u>(61,021)</u>
Increase in net OPEB obligation	200,743
Net OPEB obligation at beginning of year	<u>426,294</u>
Net OPEB obligation at end of year	<u>\$627,037</u>

The library's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>% of Annual Cost Contrib.</u>	<u>Net OPEB Obligation</u>
12/31/09	\$261,764	10%	\$235,171
12/31/10	\$261,764	27%	\$426,294
12/31/11	\$261,764	23%	\$627,037

Funded Status and Funding Progress: As of December 31, 2011, the actuarial accrued liability for benefits was \$2,561,142, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$700,672,

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE F - LONG-TERM LIABILITIES (CONTINUED)

and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 366%. See the Schedule of Funding Progress for yearly comparisons.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to continued revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The following simplifying assumptions were made:

Retirement age for active employees - Active members were assumed to retire at the historical average retirement age for the covered group, which is currently 61 years.

Marital status - Marital status of members at the calculation date was assumed to continue throughout retirement.

Mortality - Life expectancies were based on mortality tables from the National Center for Health Statistics.

Turnover - Non-group-specific age-based turnover data from GASB Statement No. 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE F - LONG-TERM LIABILITIES (CONTINUED)

Healthcare cost trend rate - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare and Medicaid Services. A rate of 9% initially, reduced to an ultimate rate of 5% after nine years, was used.

Health insurance premiums - 2009 health insurance premiums for retirees was used as the basis for calculation of the present value of total benefits to be paid.

Inflation rate - The expected long-term inflation assumption of 2.8% was based on projected changes in the Consumer Price Index (CPI) in The 2009 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds for an intermediate growth scenario.

Payroll growth rate - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the library's short-term investment portfolio and cash deposits, a future discount rate of 3% was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of projected payroll on an open basis over 30 years.

NOTE G - LEASES AND COMMITMENTS

The library had one operating lease agreement for building space at year end. The lease is for interim office space in LaPlace for the library staff during the construction and renovation of the central library branch. During the current year, the library leased the building on a month-to-month basis at \$1,000 per month in lease payments. During the current year, twelve lease payments were made totaling \$12,000.

In addition, the library has entered into separate operating lease agreements for five copier machines for the main library and its branch locations.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Notes to the Financial Statements
December 31, 2011

NOTE G - LEASES AND COMMITMENTS (CONTINUED)

Total annual minimum lease commitments for all (office and copiers) operating leases are as follows:

Year ending December 31:

2012	\$9,975
2013	4,809
2014	<u>1,872</u>
Total minimum lease payments	<u>\$16,656</u>

The library has no other capital or operating leases open at December 31, 2011.

NOTE H - ENDOWMENT (RESTRICTED NET ASSET)

On August 19, 1976, the library received an endowment of \$5,000 in memory of Dr. John Smyth. In accordance with the endowment agreement, this money is invested in an interest bearing account. The interest earnings from this investment are used to purchase books for the library.

NOTE I - LITIGATION

According to the library's attorney, the library was not involved in any litigation at December 31, 2011, which would require presentation in financial statements or notes thereto. Therefore, no provision for liability has been set up in the accompanying basic financial statements.

REQUIRED SUPPLEMENTARY INFORMATION (RSI)

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Statement of Receipts, Disbursements and Changes in
 Cash Balance - Budget (Cash Basis) and Actual
 General Fund
 For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
RECEIPTS				
Ad valorem taxes	\$3,362,094	\$3,427,933	\$3,450,188	\$22,255
State revenue sharing	102,033	101,233	100,249	(984)
Fees, fines & charges for library services	37,950	34,900	53,630	18,730
Interest earnings	12,050	1,950	1,909	(41)
Outside grants, state aid and donations	-	17,265	3,220	(14,045)
Other revenue	<u>3,330</u>	<u>6,280</u>	<u>10,877</u>	<u>4,597</u>
Total Receipts	<u>3,517,457</u>	<u>3,589,561</u>	<u>3,620,073</u>	<u>30,512</u>
DISBURSEMENTS				
Salaries, related benefits and payroll taxes	1,975,261	1,975,261	1,673,921	301,340
Operating services	529,550	589,215	393,004	196,211
Materials and supplies	67,200	81,700	53,442	28,258
Travel and other charges	17,000	17,000	6,239	10,761
Capital outlay	620,439	695,914	568,581	127,333
Intergovernmental	<u>150,000</u>	<u>150,000</u>	<u>141,194</u>	<u>8,806</u>
Total Expenditures	<u>3,359,450</u>	<u>3,509,090</u>	<u>2,836,381</u>	<u>672,709</u>
Excess of Receipts over Disbursements	<u>158,007</u>	<u>80,471</u>	<u>783,692</u>	<u>703,221</u>

(Continued)

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Statement of Receipts, Disbursements and Changes in
 Cash Balance - Budget (Cash Basis) and Actual
 General Fund
 (Continued)
 For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
OTHER FINANCING				
<u>SOURCES (USES)</u>				
Transfers in	-	\$40,909	\$35,648	\$(5,261)
Transfers (out)	<u>\$(2,247,000)</u>	<u>(1,766,000)</u>	<u>(1,766,000)</u>	<u>-</u>
Total Other				
Sources (Uses)	<u>(2,247,000)</u>	<u>(1,725,091)</u>	<u>(1,730,352)</u>	<u>(5,261)</u>
Excess of Receipts over Disbursements and Other Financing Uses	(2,088,993)	(1,644,620)	(946,661)	697,959
Cash, Balance at Beginning of Year	<u>2,199,108</u>	<u>2,996,756</u>	<u>2,933,671</u>	<u>(63,085)</u>
Cash, Balance at End of Year	<u>\$110,115</u>	<u>\$1,352,136</u>	<u>\$1,987,010</u>	<u>\$634,874</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Statement of Receipts, Disbursements and Changes in
 Cash Balance - Budget (Cash Basis) and Actual
 Central Library Construction
 For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
RECEIPTS				
Interest earnings	\$200	\$200	\$455	\$255
Total Receipts	<u>200</u>	<u>200</u>	<u>455</u>	<u>255</u>
 DISBURSEMENTS				
Operating services	111,200	111,200	52,181	59,019
Capital outlay	<u>1,655,000</u>	<u>1,655,000</u>	<u>655,519</u>	<u>999,481</u>
Total Expenditures	<u>1,766,200</u>	<u>1,766,200</u>	<u>707,700</u>	<u>1,058,500</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(1,766,000)</u>	<u>(1,766,000)</u>	<u>(707,245)</u>	<u>(1,058,755)</u>
 OTHER FINANCING SOURCES (USES)				
Transfers in	1,766,000	1,766,000	1,766,000	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Sources (Uses)	<u>1,766,000</u>	<u>1,766,000</u>	<u>1,766,000</u>	<u>-</u>
Excess of Receipts over Disbursements and Other Financing Uses	-	-	1,058,755	1,058,755
Cash, Balance at Beginning of Year	<u>85,316</u>	<u>85,316</u>	<u>114,652</u>	<u>29,336</u>
Cash, Balance at End of Year	<u>\$85,316</u>	<u>\$85,316</u>	<u>\$1,173,407</u>	<u>\$1,088,091</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Statement of Receipts, Disbursements and Changes in
 Cash Balance - Budget (Cash Basis) and Actual
 Central Library Renovation
 For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
RECEIPTS				
Interest earnings	<u>\$100</u>	<u>\$30</u>	<u>\$40</u>	<u>\$10</u>
Total Receipts	<u>100</u>	<u>30</u>	<u>40</u>	<u>10</u>
DISBURSEMENTS				
Operating services	<u>60,100</u>	<u>-</u>	<u>475</u>	<u>(475)</u>
Capital outlay	<u>421,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>481,100</u>	<u>-</u>	<u>475</u>	<u>(475)</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(481,000)</u>	<u>30</u>	<u>(435)</u>	<u>(465)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>481,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Sources (Uses)	<u>481,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Receipts over Disbursements and Other Financing Uses	<u>-</u>	<u>30</u>	<u>(435)</u>	<u>(465)</u>
Cash, Balance at Beginning of Year	<u>80,118</u>	<u>80,260</u>	<u>80,260</u>	<u>-</u>
Cash, Balance at End of Year	<u>\$80,118</u>	<u>\$80,290</u>	<u>\$79,825</u>	<u>\$(465)</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Required Supplementary Information
 Budgetary Comparison Schedule
 Statement of Receipts, Disbursements and Changes in
 Cash Balance - Budget (Cash Basis) and Actual
 Reserve Library Renovation
 For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u> <u>Budget</u> <u>Positive</u> <u>(Negative)</u>
RECEIPTS				
Interest earnings	\$30	\$30	\$37	\$7
Total Receipts	<u>30</u>	<u>30</u>	<u>37</u>	<u>7</u>
DISBURSEMENTS				
Operating services	\$13,983	\$13,983	19,250	(5,267)
Capital outlay	<u>96,604</u>	<u>96,604</u>	<u>96,604</u>	<u>-</u>
Total Expenditures	<u>110,587</u>	<u>110,587</u>	<u>115,854</u>	<u>(5,267)</u>
Excess (Deficiency) of Receipts over Disbursements	<u>(110,557)</u>	<u>(110,557)</u>	<u>(115,817)</u>	<u>(5,260)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>(40,909)</u>	<u>(40,909)</u>	<u>(35,648)</u>	<u>5,260</u>
Total Other Sources (Uses)	<u>(40,909)</u>	<u>(40,909)</u>	<u>(35,648)</u>	<u>\$5,260</u>
Excess of Receipts over Disbursements and Other Financing Uses	<u>(151,466)</u>	<u>(151,466)</u>	<u>(151,466)</u>	<u>-</u>
Cash, Balance at Beginning of Year	<u>\$151,466</u>	<u>\$151,466</u>	<u>\$151,466</u>	<u>-</u>
Cash, Balance at End of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of this statement.

ST. JOHN THE BAPTIST PARISH LIBRARY
 LaPlace, Louisiana
 Required Supplementary Information
 Schedule of Funding Progress
 Retirees Health, Dental and Life Insurance Plan
 For the Year Ended December 31, 2011

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
12/31/09	\$0	\$2,561,142	\$2,561,142	0%	\$764,502	335%
12/31/10	\$0	\$2,561,142	\$2,561,142	0%	\$688,752	372%
12/31/11	\$0	\$2,561,142	\$2,561,142	0%	\$700,672	366%

SUPPLEMENTARY INFORMATION SCHEDULES

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Supplementary Information Schedules
Schedule of Per Diem Paid to Board Members
For the Year Ended December 31, 2011

	<u>Meetings Attended</u>	<u>Per Diem</u>
Leroy D. Williams	10	\$ 500
George W. Haas	10	500
Norris J. Millet	10	500
Hebert Smith	9	450
Geanell Wagner	6	300
Denice M. Borne	5	<u>250</u>
	<u>50</u>	<u>\$2,500</u>

Board members are paid \$50 for each meeting they attend.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Supplementary Information Schedules
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2011

I have audited the accompanying basic financial statements of the St. John the Baptist Parish Library, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 2011, and have issued my report thereon dated May 1, 2012. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My audit of the financial statements as of December 31, 2011 resulted in an unqualified opinion.

Section I - Summary of Auditor's Report and Findings

There was one material weakness in internal control that was a reportable condition which required disclosure in this audit report (Finding No. 1).

There were no instances of noncompliance that were required to be reported in this audit report.

There were no other findings, required to be reported, and no management letter was issued for the current audit period.

There was one prior-year audit finding, and it was the same as this current-year finding (Finding No. 1).

The St. John the Baptist Parish Library did not receive any major or significant federal funding during the twelve months ended on December 31, 2011.

ST. JOHN THE BAPTIST PARISH LIBRARY
LaPlace, Louisiana
Supplementary Information Schedules
Summary Schedule of Prior Audit Findings and
Corrective Action Plan for Current Year Audit Findings
For the Year Ended December 31, 2011

Section II - Financial Statement Finding

Finding No. 1

Fiscal Year Finding Initially Occurred: Has existed since inception.

Finding Described: The size of the board's operations and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control.

Corrective Action and Additional Explanation: Management is aware of this inadequacy in the internal control structure, however, it feels that to employ such controls would not be cost beneficial. No action will need to be taken.

Contact Person:

Mr. Randy De Soto, Administrative Librarian
St. John the Baptist Parish Library
2920 Highway 51, LaPlace, LA 70068
Telephone: 985-652-6857

Anticipated Completion Date: Not applicable.

**OTHER REPORT REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

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KEITH J. ROVIRA
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

St. John the Baptist Parish Library
A Component Unit of the
St. John the Baptist Parish Council
LaPlace, Louisiana

I have audited the financial statements of the St. John the Baptist Parish Library, a component unit of the St. John the Baptist Parish Council, as of and for the year ended December 31, 2011, and have issued my report thereon dated May 1, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the St. John the Baptist Parish Library's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the St. John the Baptist Parish Library's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the St. John the Baptist Parish Library's internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, I identified a certain deficiency in the internal control over financial reporting that I consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. I consider the deficiency described in the accompanying schedule of findings and responses to be a material weakness (Finding No. 1).

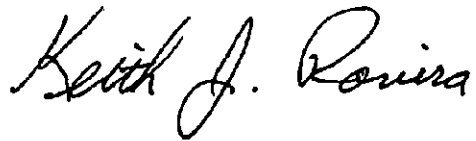
A significant deficiency is a deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. I considered the significant deficiency described in Finding No. 1 to be a material weakness.

Compliance and Other Matters

As a part of obtaining reasonable assurance about whether the St. John the Baptist Parish Library's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management and the State of Louisiana Legislative Auditor, and should not be used for any other purpose. This restriction is not

intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.

A handwritten signature in cursive script that reads "Keith J. Rovira". The signature is written in dark ink and is positioned above the printed name and title.

Keith J Rovira
Certified Public Accountant

May 1, 2012